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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Petition for Exemption from the

Federal Motor Vehicle Theft Prevention Standard;

Ford Motor Company

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

ACTION: Grant of petition for exemption.

SUMMARY: This document grants in full the Ford Motor Company's (Ford) petition for an exemption of the MKX vehicle line in accordance with 49 CFR part 543, Exemption from Vehicle Theft Prevention Standard. This petition is granted because the agency has determined that the antitheft device to be placed on the line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the 49 CFR part 541, Federal Motor Vehicle Theft Prevention Standard (Theft Prevention Standard). Ford also requested confidential treatment for specific information in its petition. The agency will address Ford's request for confidential treatment by separate letter.

DATES: The exemption granted by this notice is effective beginning with the 2016 model year (MY).

FOR FURTHER INFORMATION CONTACT: Ms. Deborah Mazyck, Office of International Policy, Fuel Economy and Consumer Programs, NHTSA, W43-443, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Ms. Mazyck's phone number is (202) 366-4139. Her fax number is (202) 493-2990.

SUPPLEMENTAL INFORMATION: In a petition dated August 18, 2014, Ford requested an exemption from the parts-marking requirements of the Theft Prevention Standard for the Lincoln MKX vehicle line beginning with MY 2016. The petition requested exemption from parts-marking pursuant to 49 CFR Part 543, Exemption from Vehicle Theft Prevention Standard, based on the installation of an antitheft device as standard equipment for the entire vehicle line.

Under 49 CFR Part 543.5(a), a manufacturer may petition NHTSA to grant an exemption for one vehicle line per model year. In its petition, Ford provided a detailed description and diagram of the identity, design, and location of the components of the antitheft device for the Lincoln MKX vehicle line. Ford stated that the Model Year (MY) 2016 Lincoln MKX will be installed with its Intelligent Access with Push button Start (IAwPB) passive, electronic immobilizer device using encrypted transponder technology as standard equipment on the entire vehicle line. Key components of the IAwPB device will include an electronic key fob, remote function actuator (RFA), body control module (BCM), powertrain control module (PCM) and a passive immobilizer. Ford further stated that its Lincoln MKX vehicle line will be offered with a perimeter alarm system as standard equipment. The perimeter alarm system activates a visible and audible alarm if unauthorized access is attempted. Ford's submission is considered a complete petition as required by 49 CFR 543.7, in that it meets the general requirements contained in §543.5 and the specific content requirements of §543.6.

Ford stated that the device's integration of the transponder into the normal operation of the ignition key assures activation of the system. Ford stated that the start sequence is initiated when the 'StartStop' button is pressed. Specifically, the transceiver module sends a signal to the keyfob through the RF antenna. The keyfob responds with a High Frequency (UHF) over the air signal that includes the keycode, back to the transceiver module. Once the key is validated,

starting of the engine is authorized by sending a separate encrypted message to the BCM/RFA and then the powertrain control module PCM. Ford stated that the powertrain will function only if the keycode matches the unique identification keycode previously programmed into the BCM/RFA. If the codes do not match, the vehicle will be inoperable. Ford stated that an electronic key will be programmed into the vehicle during system initialization performed at the manufacturing plant. Ford further stated that if the programmed key is not present in the vehicle, the engine will not start. Ford also pointed out that in addition to the programmed key, there are two modules that must be matched together in order to start the vehicle, adding an additional level of security to both systems. Ford stated that the BCM and the PCM share security data that, during vehicle assembly, form matched modules that must be together in order to start the vehicle. Ford further stated that no owner/operator actions are required to deactivate the device because it functions automatically each time an engine start sequence occurs.

In addressing the specific content requirements of 543.6, Ford provided information on the reliability and durability of its proposed device. To ensure reliability and durability of the device, Ford conducted tests based on its own specified standards. Ford provided a detailed list of the tests conducted and believes that the device is reliable and durable since the device complied with its own specified requirements for each test.

Ford stated that its MY 2016 Lincoln MKX vehicle line will also be equipped with several other standard antitheft features common to Ford vehicles, (i.e., hood release located inside the vehicle, counterfeit resistant VIN labels and secondary VINs, cabin accessibility only with the use of a valid key fob).

Ford compared the device proposed for its vehicle line with other devices which NHTSA has determined to be as effective in reducing and deterring motor vehicle theft as would

compliance with the parts-marking requirements. Ford stated that it believes that the standard installation of the IAwPB device would be an effective deterrent against vehicle theft.

Ford stated that its antitheft device was installed on all MY 1996 Ford Mustang GT and Cobra models and other selected models. Ford stated that in the 1997 model, its antitheft device was extended to the complete Ford Mustang vehicle line as standard equipment. Ford also stated that according to the National Insurance Crime Bureau (NICB) theft statistics, MY 1997 Mustangs installed with the SecuriLock device showed a 70% reduction in theft rate compared to the MY 1995 Mustangs.

Ford stated that starting with MY 2013, the IAwPB was offered as standard equipment on the Lincoln MKZ. Ford also reported that beginning with MY 2010, the its antitheft device was installed as standard equipment on all of its North American Ford, Lincoln and Mercury vehicles but was offered as optional equipment on its 2010 F-series Super Duty pickups, Econoline and Transit Connect vehicles. Ford further stated that beginning with MY 2010, the IAwPB was standard equipment on the Lincoln MKT vehicles; starting with MY 2011, the device was offered as standard equipment on the Lincoln MKX and optionally on the Lincoln MKS, Taurus, Edge, Explorer and the Focus vehicles and beginning with MY 2013, the device was offered as optional equipment on the Ford Fusion, C-Max and Escape vehicles.

Ford stated that the proposed antitheft device is a newer generation of the system that was offered in MY 2014 Ford Edge vehicle line. The Ford Edge vehicle line was granted a parts-marking exemption on January 18, 2013 by NHTSA (See 78 FR 4192) beginning with its MY 2014 vehicles. The agency notes that current theft rate data for MYs 2010 through preliminary 2012 are 0.8783, 0.7824 and 0.7371 respectively for the Ford Edge vehicle line.

The agency agrees that the device is substantially similar to devices installed on other vehicle lines for which the agency has already granted exemptions.

Pursuant to 49 U.S.C. 33106 and 49 CFR 543.7 (b), the agency grants a petition for exemption from the parts-marking requirements of part 541 either in whole or in part, if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of part 541. The agency finds that Ford has provided adequate reasons for its belief that the antitheft device for the Lincoln MKX vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). This conclusion is based on the information Ford provided about its device.

Based on the supporting evidence submitted by Ford on the device, the agency believes that the antitheft device for the Lincoln MKX vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR part 541). The agency concludes that the device will provide the five types of performance listed in §543.6(a)(3): promoting activation; attracting attention to the efforts of unauthorized persons to enter or operate a vehicle by means other than a key; preventing defeat or circumvention of the device by unauthorized persons; preventing operation of the vehicle by unauthorized entrants; and ensuring the reliability and durability of the device.

For the foregoing reasons, the agency hereby grants in full Ford's petition for exemption for the Lincoln MKX vehicle line from the parts-marking requirements of 49 CFR Part 541. The agency notes that 49 CFR part 541, Appendix A-1, identifies those lines that are exempted from the Theft Prevention Standard for a given model year. 49 CFR part 543.7(f) contains publication

requirements incident to the disposition of all part 543 petitions. Advanced listing, including the release of future product nameplates, the beginning model year for which the petition is granted and a general description of the antitheft device is necessary in order to notify law enforcement agencies of new vehicle lines exempted from the parts-marking requirements of the Theft Prevention Standard.

If Ford decides not to use the exemption for this line, it must formally notify the agency. If such a decision is made, the line must be fully marked according to the requirements under 49 CFR parts 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Ford wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.7(d) states that a part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, part 543.9(c)(2) provides for the submission of petitions "to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption."

The agency wishes to minimize the administrative burden that part 543.9(c)(2) could place on exempted vehicle manufacturers and itself. The agency did not intend in drafting Part 543 to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes, the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify.

Under authority delegated in 49 CFR part 1.95.

R. Ryan Posten,
Associate Administrator for
Rulemaking.

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